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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/965,443

09/27/2001

John Roberts

ROBERTS-1

5342

28581

7590

12/18/2006

DUANE MORRIS LLP

PO BOX 5203

PRINCETON, NJ 08543-5203

EXAMINER

AKINTOLA, OLABODE

ART UNIT

PAPER NUMBER

3691

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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3 MONTHS

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/965,443 *	<b>Applicant(s)</b> ROBERTS, JOHN	
	<b>Examiner</b> Olabode Akintola	<b>Art Unit</b> 3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 27 September 2001.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>09/27/2001</u> .  | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 1-5, 11-17, 19-24 and 36-37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Torre et al (USPAP 20030046207) in view of Prokoski (USPAP 20020046038).

Re claims 1, 3, 19, 21, 23, 24 and 36: Torre teaches a method and corresponding system for diversifying risk in privately-held stock, comprising steps of: accepting from a privately-held stock donor a donation to a trust of the privately-held stock, the privately-held stock conveying an ownership interest to the trust in a particular privately-held company (sections 0007 and 0017);

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Torre does not explicitly teach issuing trust units to the privately held stock donor in proportion to a value of the privately-held stock donated to the trust; managing the trust to earn income; and distributing the income to holders of the trust units in a direct proportion to the number of trust units held by each holder of the trust units; paying an annual management fee to managers of the trust before distributing the income to holders of the trust units. Prokoski teaches issuing trust units to the privately held stock donor in proportion to a value of the privately held stock donated to the trust; managing the trust to earn income; and distributing the income to holders of the trust units in a direct proportion to the number of trust units held by each holder of the trust units (Abstract); paying an annual management fee to managers of the trust before distributing the income to holders of the trust units (Prokoski: Fig. 1 RN {160}). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include these steps as taught by Prokoski. One would have been motivated to do so in order to diversify donor's interest, thereby, reducing risk.

Re claims 2 and 20: Torre teaches the step of accepting a cash donation to the trust from a cash donor and issuing trust units to the cash donor in proportion of an amount of cash donated to the trust (section 0017).

Re claims 4 and 11: Torre teaches the step of managing the trust further comprises steps of: evaluating private companies to determine whether any one of the private companies is a company in which a manager of the trust is willing to accept a donation of stock to convey an

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ownership interest in the company to the trust; and advising owners of privately-held stock in the companies in which the manager is willing to accept the donation that the trust is willing to accept donations of the privately-held stock in exchange for trust units (section 0024).

Re claims 5 and 12: Torre teaches the step of evaluating comprises a step of searching public information sources for information about companies that have recently received significant venture capital funding (section 0002).

Re claims 13-17: Torre does not teach the step wherein the step of managing the trust further comprises steps of: monitoring the companies in which the trust has an ownership interest to determine when a one of the companies is a subject of a takeover bid by another company; and selling the privately-held stock to the other company if an offered price for the privately-held stock is deemed appropriate by a manager of the trust, in order to generate income for the trust; using cash available in the trust to purchase public stock options that cannot be exercised by a holder of the public stock options; exercising the public stock options to purchase the public stock at a time deemed appropriate by a manager of the trust; and selling the public stock at a time deemed appropriate by a manager of the trust in order to generate income for the trust; monitoring the companies in which the trust has an ownership interest to determine when a one of the companies performs an initial public offering; indicating that the privately-held stock has been converted to public stock in the company; and selling the public stock at an appropriate time in order to generate income for the trust; using cash from the trust to provide bridge financing to a company that is preparing for an initial public offering, in order to generate

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income for the trust; wherein the bridge financing is provided to a company in which the trust owns an interest. However Prokoski teaches managing the trust to earn income. Official notice is hereby taken that the aforementioned steps of managing a trust to earn an income are old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include these steps. One would have been motivated to do so in order to ensure that the trust is profitable minimizing the risk to the donors.

Re claims 22 and 37: Torre does not teach the step accepting and storing an escrow date indicating a predetermined time period during which the public stock cannot be traded; and program instructions for displaying a reminder to a manager of the trust when the predetermined time period has expired, to permit the manager to sell at least a proportion of the public stock to earn income for the trust. Official notice is hereby taken that the aforementioned steps are old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include these steps. One would have been motivated to do so in order to preserve the stock prior to expiration of the escrow date.

Claims 6-10, 25-35 and 39-45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Torre in view of Prokoski, applied to claim 1 above, and further in view of Klasky et al (USPAP 20020038225).

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Re claims 6-10, 25-32, 35 and 39-45: Torre does not teach the step of making a form available on the worldwide web page for accepting stock donations to the fund from a donor of the privately-held stock. Klasky teaches the step of making a form available on the worldwide web page for accepting stock donations to the fund from a donor of the privately-held stock (section 0011). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include this step. One would have been motivated to do this in order to receive stock certificates in lieu of cash.

Re claims 33 and 34: Torre does not teach the step wherein the private information relates to ratchet clauses in a venture capital financing agreement entered into by the privately-held company; wherein the information relates to a private share discount percentage that the private donor is willing to accept in lieu adherence to ratchet clauses in a venture capital financing agreement entered into by the privately-held company. Official notice is hereby taken that the aforementioned steps are old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include these steps. One would have been motivated to do so in order include some incentives to the donor by adhering to the ratchet clauses.

Claims 18 is rejected under 35 U.S.C. 103(a) as being unpatentable over Torre in view of Prokoski, applied to claim 1 above, and further in view of Mottola et al (USPN 5745885).

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Re claim 18: Torre does not explicitly teach the step of converting the trust into a publicly traded closed-end mutual fund. Mottola teaches the step of converting the trust into a publicly traded closed-end mutual fund (col. 3, line 65- col. 4, line 2). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Torre to include this step as taught by Mottola. One would have been motivated to do so in order to have a market price of the shares to be determined by supply and demand and not by net-asset value (NAV).

Claim 38 is rejected under 35 U.S.C. 103(a) as being unpatentable over Torre in view of Prokoski, applied to claim 36 above, and further in view of Hardesty (USPAP 20010032134).

Re claim 38: Torre does not explicitly teach the step of managing the trust further comprises steps of using cash reserves in the trust to perform any one of: buying public stock options that cannot be exercised by an owner of the options; buying public stock at a discount; and providing bridge financing to private companies preparing for an initial public offering. Hardesty teaches the step of managing the trust further comprises steps of using cash reserves in the trust to perform any one of: buying public stock options that cannot be exercised by an owner of the options; buying public stock at a discount; and providing bridge financing to private companies preparing for an initial public offering (section 0028). It would have been obvious to one of ordinary skill in the art at time of the invention to modify Torre to include this step. One would have been motivated to do so in order to save cash by buying the stock at a discount.



***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Olabode Akintola whose telephone number is 571-272-3629. The examiner can normally be reached on M-F 8:30AM -5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

OA



HANI M. KAZIMI  
PRIMARY EXAMINER